### UNITED STATES INTERNATIONAL TRADE COMMISSION Washington, DC 20436

# MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 109<sup>th</sup> Congress <sup>1</sup>

[Date approved: October 10, 2006]<sup>2</sup>

Bill No. and sponsor: S. 3153 (Mr. Saxby Chambliss of Georgia).Proponent name, location: The Home Depot, Atlanta, Georgia.

Other bills on product (109th Congress only): None.

**Nature of bill:** Temporary duty suspension through December 31, 2009.

Retroactive effect: None.

Suggested article description(s) for enactment (including appropriate HTS subheading(s)):

Lawn sprinklers of copper, each with a bird, butterfly, dragonfly or other decorative figure or shape affixed to the sprinkler head mounted at the top of a tube or pipe (provided for in subheading 7418.19.50).

Check one: Same as that in bill as introduced.X Different from that in bill as introduced (see Technical comments section).

#### Product information, including uses/applications and source(s) of imports:

Lawn sprinklers are attached to garden hoses to dispense water onto lawns and gardens. The typical copper sprinkler of interest to the proponent consists of the following: (1) a base with stabilizing tines or extensions, (2) a vertical pipe with an inlet at the bottom, (3) a fitting on the inlet with a rubber gasket and a metal or plastic connector, and (4) a sprinkler head consisting of double rings fixed on a pole by a swivel or inner ring with a butterfly, bird, dragonfly, or other decorative figure attached. The principal source of imports of these goods is China.

<sup>&</sup>lt;sup>1</sup> Industry analyst preparing report: Gail Burns (202-205-2501); Tariff Affairs contact: Jan Summers (202-205-2605).

<sup>&</sup>lt;sup>2</sup> Access to an electronic copy of this memorandum is available at <a href="http://usitc.gov/tata/hts/other/rel\_doc/bill\_reports/index.htm">http://usitc.gov/tata/hts/other/rel\_doc/bill\_reports/index.htm</a>.

#### **Estimated effect on customs revenue:**

HTS subheading: <u>7418.19.50</u>										
	2006	2007	2008	2009	2010					
Col. 1-General rate of duty (AVE)	3%	3%	3%	3%	3%					
Estimated value <i>dutiable</i> imports	\$627,760	\$659,148	\$692,105	726,710	763,046					
Customs revenue loss	\$18,833	\$19,774	\$20,763	\$21,801	\$22,891					

Source of dutiable import data: Commission and industry estimates.

#### **Contacts with domestic firms/organizations (including the proponent):**

From a search of the Internet, it appears that a number of small companies may make (often by hand or to customer specifications) copper lawn sprinklers ornamented with figures within the United States, and sell these items on line or by mail order. No such firm responded to e-mail inquiries.

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
			(Yes/No)	
The Home Depot (Proponent) Zachery Paulsen, 202-627-5921	07/27/2006	No	No	No
Costco Home and Office Products Tom Meyers, 812-314-4492	07/29/2006	No	No	No

#### **Technical comments:**<sup>3</sup>

It is suggested that the article description be modified as shown on page 1, to be more consistent with normal HTS drafting practices and to cover the product of interest to the proponent. We note that this description would not cover all copper lawn sprinklers—notably those that do not have ornamental figures attached and are not designed with a sprinkler head mounted atop an intake pipe—or sprinklers made of other materials. The bill could be drafted to apply to all "lawn sprinklers of copper" to simplify its administration. However, such a broadened description might encompass sprinklers for in-ground irrigation systems and other products and would likely increase the import and revenue loss estimates significantly, and might cover some products made in the United States.

The Commission may express an opinion on the HTS classification of a product to facilitate consideration of the bill. However, by law, only the U.S. Customs Service is authorized to issue a binding ruling on this matter. The Commission believes that the U.S. Customs Service should be consulted prior to enactment of the bill.

# S. 3153

To suspend temporarily the duty on certain copper lawn sprinklers.

#### IN THE SENATE OF THE UNITED STATES

May 25, 2006

Mr. Chambles introduced the following bill; which was read twice and referred to the Committee on Finance

### A BILL

To suspend temporarily the duty on certain copper lawn sprinklers.

- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,
- 3 SECTION 1. CERTAIN COPPER LAWN SPRINKLERS.
- 4 (a) In General.—Subchapter II of chapter 99 of
- 5 the Harmonized Tariff Schedule of the United States is
- 6 amended by inserting in numerical sequence the following
- 7 new heading:

"	Certain copper lawn sprinklers (provided					
	for in subheading 7418.19.50)	Free	No change	No change	On or before	ĺ
					12/31/2009	".

- 8 (b) Effective Date.—The amendment made by
- 9 subsection (a) applies to goods entered, or withdrawn from

- 1 warehouse for consumption, on or after the 15th day after
- 2 the date of the enactment of this Act.

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